Maryland Global Express

The Newsletter of the Baltimore US Export Assistance Center

US & FCS- Baltimore USEAC

401 E. Pratt Street, Suite 2432 Baltimore, MD 21202

Office.BaltimoreUSEC@mail.doc.gov Tel: 410-962-4539

Fax: 410-962-4529

"Your Gateway to the World"



MARCH 2004 NEWSLETTER

News Stories

U.S.-Chile Free Trade Agreement – The U.S.-Chile Free Trade Agreement entered into force on January 1, 2004. At that time, more than 85% of two-way trade in consumer and industrial goods became duty free. Duties on other products will gradually be phased out over a 12-year period. In order to take advantage of the benefits for U.S. goods under this agreement, exporters will need to understand how to determine that their goods are originating or qualify for preferential duty treatment under the U.S.-Chile FTA Rules of Origin. To learn more about the U.S.-Chile FTA and its implications for U.S. exporters, go to:

www.buyusa.gov/chile/en/page26.html. There you will find a copy of the U.S.-Chile FTA Handbook which covering topics such as: tariff elimination schedules, impact of the FTA on your product or service, rules of origin, documentation requirements, new opportunities for U.S. companies, frequently asked questions and more. You will also find complete instructions on completing the U.S.-Chile FTA Certificate of Origin.

European Union Trade Sanctions Against the United

States- On March 1, 2004, the European Union (EU) began to impose retaliatory trade sanctions on a number of U.S. products. This is a result of the May 2003 World Trade Organization (WTO) ruling that the FSC/ETI provisions of the U.S. Internal Revenue Code constitute a prohibited export subsidy and are in violation of WTO rules. After years of litigation, the WTO Dispute Settlement Body authorized the EU to impose sanctions on \$4.043 billion worth of U.S. exports, if the United States fails to comply with the WTO decision.

The EU will initially impose an additional duty of 5 percent on 1,608 U.S. products. The duty will rise automatically by 1 percentage point each month until it reaches a ceiling of 17 percent in March 2005. At that point, the EU will make a determination on its next course of action if the United States still has not complied with the WTO ruling. Although the EU is authorized to retaliate on \$4.043 billion of U.S. exports, it has chosen not to implement retaliation on the full amount at

once. Instead, the EU is phasing in the trade sanctions. The U.S. Department of Commerce estimates that the sanctions imposed on U.S. products from March 1, 2004 - March 31, 2005 could result in additional duties collected by the EU worth over \$475 million. For more information on the EU sanctions and how they may affect your exports, please contact the Baltimore USEAC at (410) 962-4539.

New CE Mark Guide On-line- The U. S. Department of Commerce International Trade Administration has produced a web-enabled guide to help U.S. exporters comply with the requirements of the European Union's CE mark. The CE mark shows that a company has met the health and safety requirements for a product to be sold in much of Europe. The CE mark affects about half of U.S. exports to the EU or approximately \$80 billion worth of merchandise. The guide provides step-by-step instructions for U.S. manufacturers and exporters to navigate the CE mark certification process as well as other useful information for companies complying with CE mark requirements. The CE mark guide is available at www.ita.doc.gov/td/tic/ce_mark/ceindex1.htm

FAQs On Doing Business in Iraq – How do I get to Iraq? What security provisions should I consider? Where should I stay? The revised "Doing Business in Iraq FAQs," produced by the Iraq Investment and Reconstruction Task Force, will answer these and many other practical questions on visiting, trading with, and investing in Iraq. For the latest FAQs go to www.export.gov/Iraq/pdf/iraq_faq_current.pdf or the Baltimore Export Assistance Center at 410-962-4539.

Success Story

Global Wireless Networks (http://www.gwnwireless.com/) specializes in the design and manufacture of wireless modems that allow Personal Digital Assistants (PDA's) the addition of mobile telephone capabilities. With the assistance of the Baltimore USEAC and the State of Maryland Office of International Trade, market research and meetings with State of Maryland representatives was provided. As a result, countries in Latin America were identified as target markets. In early 2003, Global Wireless Networks was approached by a

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Brazilian IT company who wished to purchase mobile enabled PDA's for fleet and asset management. CS Baltimore coordinated a market briefing from CS Brazil, who also provided initial background on the Brazilian firm. As a result, a new-to-market sale to Brazil was completed. *Learn more about this and other ways the U.S. Commercial Service can assist your company expand around the world. Visit us at www.buyusa.gov/baltimore today!*

Market of the Month

Chile- When most people think of Chile, its unique geography and natural resources usually come to mind. Though its mass is slightly smaller than twice the size of Montana, Chile is the longest, thinnest country in the world. Bordered on one side by the Pacific Ocean and the Andes Mountains on the other, Chile's expansive desert in the north gives way to mountains, lakes, volcanoes, glaciers and finally Patagonia, the arctic tundra it shares with Argentina.

Besides being physically breathtaking, Chile has a rich and vibrant culture. Chile's market reforms have transformed its economy, making it one of the most dynamic in the region and securing its position as a Latin American business hub. With the passage of the U.S.-Chile FTA (see page 1), there are more reasons than ever to consider expanding your business to Chile. In addition to the new level playing field afforded by the FTA, the recent strength of the Chilean peso - up more than 20% against the dollar over last year - makes U.S. products and services even more competitive than ever.

For more information on doing business in Chile, visit www.buyusa.gov/chile/en.

Featured Services

Gold Key Executive Matching Service

Save time and money by letting the U.S. Commercial Service help you find a buyer, partner, agent or distributor. The Gold Key Executive Matching Service provides you with one-on-one appointments with pre-screened potential agents, distributors, sales representatives, association and government contacts, licensing or joint venture partners, and other strategic business partners in your targeted export market. For more information about U.S. Commercial Service products and service in Maryland, please visit www.buyusa.gov/baltimore/services.html.

Asia Now Online Service

The U.S. Commercial Service (USCS) invites U.S. firms to visit its "Asia Now" online resource center. The site brings together the resources of USCS offices in 14 Asian countries and it's Export Assistance Centers across the U.S. to provide firms information on regional trade events, USCS services, and market research. Log on to www.buyusa.gov/asianow/.

International Trade References

Dictionary of International Trade Terms-The U.S. Customs Service/International Trade Data System has hundreds of definitions of trade terms written in layman's language in its "Dictionary of International Trade Terms." To access the dictionary, go to www.itds.treas.gov/glossaryfrm.html

Foreign Trade Division – The new, shorter web address for the Census Bureau's Foreign Trade Division is: www.census.gov/trade

Free Newsletter on China Trade – The "China Commercial Brief" is a free bi-weekly publication by the U.S. Commercial Service at the American Embassy in Beijing. The newsletter features summaries about developments in China's various commercial sectors, tips on doing business in China, and U.S. Embassy news. Log on to www.buyusa.gov/china/en/ccb031226.html to view current and past issues, or to subscribe.

Local Events

Demystification of the Asian Development Bank-A Business Opportunities Seminar-April 5-6, 2004--This event is an ideal venue for U.S. suppliers and consultants to learn how to bid successfully on consulting and infrastructure projects supported financially by the Asian Development Bank (ADB) in thirty-five Asian developing countries. Every year, ADB technical and financial assistance generates \$5 to \$6 billion in new business opportunities. For further information, please go to: www.buyusa.gov/baltimore/adbseminar.html or contact the Baltimore Export Assistance Center at 410-962-4539.

Business Cooperation between American and Turkish Small and Medium Size Enterprises -April

5, 2004-- Turkey, with a population of 66 million, is one of the largest nations in Europe and a traditional ally of the United States. The United States is Turkey's second largest trading partner and the bilateral trade in 2003 was \$6.4 billion. In addition, Turkish firms are actively seeking strategic and joint venture partners to pursue sub-contracts in Iraq. There are significant opportunities for American SMEs to partner with Turkish companies to participate in Iraq's reconstruction, both through the rehabilitation of Iraq's infrastructure and by taking advantage of growing bilateral trade. For more information, please visit:

www.buyusa.gov/baltimore/atcevent.html or contact the Baltimore Export Assistance Center at (410) 962-4539.

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Export Howard County Workshop: Focus on Small Business-Tuesday, April 20 and Thursday, April 22,

2004—Workshop graduates will learn what it takes to compete globally and will create an effective Export Marketing Plan. Course content stresses interactive learning through self-assessment, knowledge provided by executives from the world of international business, and case studies based on actual experiences of local companies. Discussion topics will include evaluating export potential, identifying target markets, the "mechanics" of exporting, financing options, and more. For more information, visit www.hceda.org/thecenter/events.html or call (410) 313-6550.

Electric Power 2004 – Baltimore, Maryland – March 30 – April 1, 2004

Electric Power is an international gathering of power industry professionals from throughout the World. This event will provide a valuable forum for the power generation and transmission industry. This Conference and Exhibition focuses on the needs of management, engineering and operating decision-makers from power generating companies. For more information, the website:

www.electricpowerexpo.com

International Events

Plastics Trade Mission to Toronto, Ontario, Canada – May 3-4, 2004

This event will provide U.S. small-to-medium sized export-ready companies (SMEs) with an efficient and cost effective opportunity to enter the Canadian plastics market. For further information, please contact the Baltimore Export Assistance Center at 410-962-4539.

Repcan 2004-Toronto, Ontario-June 16-17, 2004 In its eight years of success, RepCan 2004 is a terrific way for U.S. companies to penetrate the Canadian Market or expand existing sales in the U.S.-Canada trade relationship. Hosted y the American Consulate in Toronto, RepCan 2004 includes two full days of carefully screened one-on-one meetings with qualified Canadian representatives, distributors, and prospective business partners. For more information, contact the Baltimore Export Assistance Center at 410-962-4539.

Automechanika 2004 – Frankfurt, Germany September 14-19, 2004

Automechanika is the No. 1 Business-to-business-Trade Show for the international automotive industry. Close to 5,000 exhibitors are expected this year, including over 240 from the U.S. Showtime Counseling Program: U.S. exhibitors who have pre-registered will receive one-on-one market opportunity counseling from Automotive Industry Commercial Specialists from 11 European countries. To register for Showtime, please browse the following site: www.buyusa.gov/europe/showtime.html.

That's not all...

<u>Visit our online database</u> of domestic and international trade events at:

www.export.gov/comm_svc/tradeevents.html

The U.S. Commercial Service continually works with trade event organizers, our industry-based teams, domestic and international organizations, and industry associations to bring together exceptional events with value-added services for small companies. Contact us for more information.

For additional information, please contact your local International Trade Specialist at the U.S. Export Assistance Center in Baltimore at 410-962-4539 or visit our website at www.buyusa.gov/baltimore

Anne Grey

Acting Director
Environmental Technologies,
Travel & Tourism

Jeanne Townsend

International Trade Specialist
Healthcare Technologies & Services,
Pharmaceuticals, OTC

Mathew Woodlee

International Trade Specialist
Information, Communication &
Wireless Technology, Aerospace,
Defense, Safety & Security

Deborah Conrad

Senior International Credit Officer Small Business Administration Trade Finance

Frances Pirchio

Export Assistance Specialist Sporting Goods

Kimberly Robinson

Trade Reference Assistant General Information